



3015 (02-02-05)

ANNUAL REPORT

OF

Name: GRATIOT MUNICIPAL WATER UTILITY

Principal Office: P.O. BOX 185
GRATIOT, WI 53541

For the Year Ended: DECEMBER 31, 2004

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

SIGNATURE PAGE

I ROBERT HERMANSON of
(Person responsible for accounts)

_____, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

(Signature of person responsible for accounts)

03/14/2005
(Date)

CLERK - TREASURER

(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: GRATIOT MUNICIPAL WATER UTILITY

Utility Address: P.O. BOX 185

GRATIOT, WI 53541

When was utility organized? 1/1/1907

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: MR ROBERT HERMANSON

Title: CLERK-TREASURER

Office Address:

P.O. BOX 185

GRATIOT, WI 53541

Telephone: (608) 922 - 6432

Fax Number:

E-mail Address:

Individual or firm, if other than utility employee, preparing this report:

Name: PATRICK FITZSIMONS

Title: STAFF ACCOUNTANT

Office Address: JOHNSON BLOCK AND COMPANY, INC.

229 HIGH STREET

MINERAL POINT, WI 53565

Telephone: (608) 987 - 2206

Fax Number: (608) 987 - 3391

E-mail Address:

President, chairman, or head of utility commission/board or committee:

Name: KARLAN JOHNSON

Title: PRESIDENT

Office Address:

P.O. BOX 185

GRATIOT, WI 53541

Telephone: (608) 922 - 6432

Fax Number:

E-mail Address:

Are records of utility audited by individuals or firms, other than utility employee? NO

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name:**Title:****Office Address:****Telephone:****Fax Number:****E-mail Address:****Date of most recent audit report:** 9/18/2002**Period covered by most recent audit:** 1/1/01-12/31/01

Names and titles of utility management including manager or superintendent:

Name: MR BRIAN SIGAFUS**Title:** OPERATOR**Office Address:**P.O. BOX 185
GRATIOT, WI 53541**Telephone:** (608) 922 - 6432**Fax Number:****E-mail Address:**

Name of utility commission/committee: Village Board

Names of members of utility commission/committee:TIM BURKE, TRUSTEE
BOB HERMANSON
KARLAN JOHNSON, VILLAGE PRESIDENT
PAUL MAU, TRUSTEE

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:** **Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	44,226	42,381	1
Operating Expenses:			
Operation and Maintenance Expense (401)	25,115	20,153	2
Depreciation Expense (403)	6,705	5,341	3
Amortization Expense (404)	0	0	4
Taxes (408)	8,415	8,385	5
Total Operating Expenses	40,235	33,879	
Net Operating Income	3,991	8,502	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	3,991	8,502	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	0	0	9
Miscellaneous Nonoperating Income (421)	0	0	10
Total Other Income	0	0	
Total Income	3,991	8,502	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(29)	0	11
Other Income Deductions (426)	40	40	12
Total Miscellaneous Income Deductions	11	40	
Income Before Interest Charges	3,980	8,462	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	0	13
Amortization of Debt Discount and Expense (428)	0	0	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	0	0	
Net Income	3,980	8,462	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	64,849	55,136	19
Balance Transferred from Income (433)	3,980	8,462	20
Miscellaneous Credits to Surplus (434)	0	1,251	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)			24
Total Unappropriated Earned Surplus End of Year (216)	68,829	64,849	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	44,226		44,226	1
Total (Acct. 400):	44,226	0	44,226	
Operation and Maintenance Expense (401):				
Derived	25,115		25,115	2
Total (Acct. 401):	25,115	0	25,115	
Depreciation Expense (403):				
Derived	6,705		6,705	3
Total (Acct. 403):	6,705	0	6,705	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	8,415		8,415	5
Total (Acct. 408):	8,415	0	8,415	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	3,991	0	3,991	

OTHER INCOME**Income from Merchandising, Jobbing and Contract Work (415-416):**

Derived	0		0	8
Total (Acct. 415-416):	0	0	0	

Nonoperating Rental Income (418):

NONE	0		0	9
Total (Acct. 418):	0	0	0	

Interest and Dividend Income (419):

NONE	0	0	0	10
Total (Acct. 419):	0	0	0	

Miscellaneous Nonoperating Income (421):

Contributed Plant - Water			0	11
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INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
NONE	0	0	0 12
Total (Acct. 421):	0	0	0
TOTAL OTHER INCOME:	0	0	0

MISCELLANEOUS INCOME DEDUCTIONS

Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(29)	[REDACTED]	(29) 13
NONE	0	0	0 14
Total (Acct. 425):	(29)	0	(29)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	40	40 15
NONE	0	0	0 16
Total (Acct. 426):	0	40	40
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(29)	40	11

INTEREST CHARGES

Interest on Long-Term Debt (427):			
Derived	0	[REDACTED]	0 17
Total (Acct. 427):	0	0	0
Amortization of Debt Discount and Expense (428):			
NONE	0	[REDACTED]	0 18
Total (Acct. 428):	0	0	0
Amortization of Premium on Debt--Cr. (429):			
NONE	0	[REDACTED]	0 19
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0	[REDACTED]	0 20
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0	[REDACTED]	0 21
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 22
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	0	0	0
NET INCOME:	4,020	(40)	3,980
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	63,638	1,211	64,849 23
Total (Acct. 216):	63,638	1,211	64,849
Balance Transferred from Income (433):			
Derived	4,020	(40)	3,980 24
Total (Acct. 433):	4,020	(40)	3,980
Miscellaneous Credits to Surplus (434):			
NONE	0	0	0 25
Total (Acct. 434):	0	0	0
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 27
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	67,658	1,171	68,829

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	44,226	0	0	0	44,226	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	44,226	0	0	0	44,226	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	355,099	291,115	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	69,018	73,466	2
Net Utility Plant	286,081	217,649	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	64,055	35,000	5
Other Investments (124)	0	0	6
Special Funds (125)	0	0	7
Total Other Property and Investments	64,055	35,000	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	6,683	9,507	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	9,139	10,133	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	24,864	27,708	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	40,686	47,348	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	390,822	299,997	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	193,736	124,681	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	68,829	64,849	23
Total Proprietary Capital	262,565	189,530	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	91,540	84,709	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	91,540	84,709	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	3,051	1,523	28
Payables to Municipality (233)	26,106	17,221	29
Customer Deposits (235)			30
Taxes Accrued (236)	7,014	7,014	31
Interest Accrued (237)	0	0	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	36,171	25,758	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	546	0	36
Total Deferred Credits	546	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	390,822	299,997	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	291,115	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	353,274	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	1,825	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	355,099	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	68,363	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	655	0	0	0	12
Total Accumulated Provision	69,018	0	0	0	
Net Utility Plant	286,081	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	72,851				72,851	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	6,705				6,705	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	254				254	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	6,959	0	0	0	6,959	16
Debits during year						17
Book cost of plant retired	10,872				10,872	18
Cost of removal					0	19
Other debits (specify):						20
Est Reg Liab(253): Docket 05-US-105	575				575	21
					0	22
					0	23
					0	24
Total debits	11,447	0	0	0	11,447	25
Balance end of year (110.1)	68,363	0	0	0	68,363	26
Composite Depreciation Rate?	Yes					27
If yes, what is the rate?	2.19%					28

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	615				615	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	40				40	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	40	0	0	0	40	16
Debits during year						17
Book cost of plant retired	0				0	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	0	0	0	0	0	25
Balance end of year (110.1)	655	0	0	0	655	26
Composite Depreciation Rate?	Yes					27
If yes, what is the rate?	2.19%					28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation					0	0 1
Other					0	0 2
Total Electric Utility					0	0

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility		0 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	0	0

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
NONE				1
Total			<u>0</u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u>0</u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	124,681	1
Changes during year (explain):		
WATER MAIN PROJECT	69,055	2
Balance end of year	193,736	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	----------------------------------	--	----------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
Advances from Municipality`	00/00/0000	00/00/0000	0.00%	91,540	1
Total for Account 223				91,540	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	7,014	1
Accruals:		
Charged water department expense	8,415	2
Charged electric department expense		3
Charged sewer department expense	111	4
Other (explain):		
NONE		5
Total Accruals and other credits	8,526	
Taxes paid during year:		
County, state and local taxes	7,014	6
Social Security taxes	1,468	7
PSC Remainder Assessment	44	8
Other (explain):		
NONE		9
Total payments and other debits	8,526	
Balance end of year	7,014	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
NONE	0			0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	0	0	0	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
LOAN TO SEWER	35,000	1
ADVANCE TO TIF DISTRICT	29,055	2
Total (Acct. 123):	64,055	
Other Investments (124):		
NONE		3
Total (Acct. 124):	0	
Special Funds (125):		
NONE		4
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		5
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	9,139	6
Electric		7
Sewer (Regulated)		8
Other (specify):		
NONE		9
Total (Acct. 142):	9,139	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		10
Merchandising, jobbing and contract work		11
Other (specify):		
NONE		12
Total (Acct. 143):	0	
Receivables from Municipality (145):		
DUE FROM GENERAL - HYDRANT RENT, TAX ROLL	13,920	13
DUE FROM SEWER - SHARED METER COSTS AND INTERFUND LOAN	10,944	14
Total (Acct. 145):	24,864	
Prepayments (165):		
NONE		15
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		16
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
NONE		17
Total (Acct. 183):	0	
Payables to Municipality (233):		
DUE TO GENERAL - INSURANCE, WAGES & PENSION, NEW PUMP	26,106	18
Total (Acct. 233):	26,106	
Other Deferred Credits (253):		
Regulatory Liability	546	19
NONE		20
Total (Acct. 253):	546	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	318,039	0	0	0	318,039	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	70,607	0	0	0	70,607	4
Customer Advances for Construction					0	5
Regulatory Liability	273	0	0	0	273	6
NONE					0	7
Average Net Rate Base	247,159	0	0	0	247,159	
Net Operating Income	3,991	0	0	0	3,991	8
Net Operating Income as a percent of						
Average Net Rate Base	1.61%	N/A	N/A	N/A	1.61%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FULL-TIME EMPLOYEES (FTE)

Use FTE numbers where FTE stands for full-time employees or full-time equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest tenth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .4 for electric, .3 for water and .2 for sewer.

Industry (a)	FTE (b)	
Water	0.5	1
Electric		2
Gas		3
Sewer		4

**REGULATORY LIABILITY - PRE-2003 HISTORICAL
ACCUMULATED DEPRECIATION ON CONTRIBUTED UTILITY
PLANT (253)**

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year					0	1
Add credits during year:						
Establish Regulatory Liability 1/1/04	575	0	0	0	575	2
Other (specify): NONE					0	3
Deduct charges:						
Miscellaneous Amortization (425)	29				29	4
Other (specify): NONE					0	5
Balance End of Year	546	0	0	0	546	

FINANCIAL SECTION FOOTNOTES

Balance Sheet End-of-Year Account Balances (Page F-18)

Please explain amounts in Accounts 143, 145 and/or 233 in excess of \$2,000, providing a short list or detail using other than terms such as "other revenues" "general" "miscellaneous" or repeating the account title.

Done

Signature Page (Page ii)

General footnotes

COMPILATION REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

March 14, 2005

Village Board
Village of Gratiot
Gratiot, Wisconsin 53541

We have compiled the accompanying prescribed Municipal Utility Annual Report of the Village of Gratiot Water Utility as of December 31, 2004, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying Municipal Utility annual Report and, accordingly, do not express an opinion or any other form of assurance on this report.

The aforementioned report was prepared for the purpose of complying with statutory requirements, rules, regulations and guidelines of the Wisconsin Public Service Commission and is not intended to be a complete presentation in conformity with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the management of the Village of Gratiot and the Wisconsin Public Service Commission, and should not be used for any other purpose.

JOHNSON BLOCK AND COMPANY, INC.

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	43,696	41,803	1
Total Sales of Water	43,696	41,803	
Other Operating Revenues			
Forfeited Discounts (470)	256	328	2
Other Water Revenues (474)	274	250	3
Total Other Operating Revenues	530	578	
Total Operating Revenues	44,226	42,381	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	20,588	14,214	4
General Operating Expenses (680-690)	4,527	5,939	5
Total Operation and Maintenance Expenses	25,115	20,153	
Other Operating Expenses			
Depreciation Expense (403)	6,705	5,341	6
Amortization Expense (404)		0	7
Taxes (408)	8,415	8,385	8
Total Other Operating Expenses	15,120	13,726	
Total Operating Expenses	40,235	33,879	
NET OPERATING INCOME	3,991	8,502	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential	2	31	230	1
Commercial	3	46	690	2
Industrial				3
Total Unmetered Sales to General Customers (460)	5	77	920	
Metered Sales to General Customers (461)				
Residential	97	3,837	20,153	4
Commercial	19	1,167	4,960	5
Industrial				6
Total Metered Sales to General Customers (461)	116	5,004	25,113	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		14,519	8
Other Sales to Public Authorities (464)	6	518	3,144	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	128	5,599	43,696	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	14,519	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	14,519	
Forfeited Discounts (470):		
Customer late payment charges	256	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	256	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	274	7
Other (specify):		
NONE		8
Total Other Water Revenues (474)	274	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	9,793	9,160	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	2,411	1,864	3
Chemicals (630)	290	617	4
Supplies and Expenses (640)	2,987	1,182	5
Repairs of Water Plant (650)	5,107	1,391	6
Transportation Expenses (660)		0	7
Total Plant Operation and Maintenance Expenses	20,588	14,214	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	500	500	8
Office Supplies and Expenses (681)	74	277	9
Outside Services Employed (682)		0	10
Insurance Expense (684)	1,947	2,435	11
Employees Pensions and Benefits (686)	800	670	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	1,206	2,057	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	4,527	5,939	
Total Operation and Maintenance Expenses	25,115	20,153	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		7,014	7,014	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		111	134	2
Net property tax equivalent		6,903	6,880	
Social Security		1,468	1,454	3
PSC Remainder Assessment		44	51	4
Other (specify): NONE			0	5
Total tax expense		8,415	8,385	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Lafayette				1
SUMMARY OF TAX RATES							2
State tax rate	mills		2.177650				3
County tax rate	mills		8.306624				4
Local tax rate	mills		7.428986				5
School tax rate	mills		9.739622				6
Voc. school tax rate	mills		2.061921				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		29.714803				10
Less: state credit	mills		1.679840				11
Net tax rate	mills		28.034963				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		7.428986				14
Combined School Tax Rate	mills		11.801543				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		19.230529				17
Total Tax Rate	mills		29.714803				18
Ratio of Local and School Tax to Total	dec.		0.647170				19
Total tax net of state credit	mills		28.034963				20
Net Local and School Tax Rate	mills		18.143387				21
Utility Plant, Jan. 1	\$	291,115	291,115				22
Materials & Supplies	\$	0	0				23
Subtotal	\$	291,115	291,115				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	291,115	291,115				26
Assessment Ratio	dec.		0.918400				27
Assessed Value	\$	267,360	267,360				28
Net Local & School Rate	mills		18.143387				29
Tax Equiv. Computed for Current Year	\$	4,851	4,851				30
Tax Equivalent per 1994 PSC Report	\$	7,014					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	7,014					34

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	250		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	35,146		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	35,396	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	19,103		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	22,601	11,598	17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	41,704	11,598	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	2,428		23
Total Water Treatment Plant	2,428	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	<u>0</u>	<u>0</u>	<u>0</u>	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			250	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			35,146	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	<u>0</u>	<u>0</u>	<u>35,396</u>	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			19,103	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)	7,900		26,299	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	<u>7,900</u>	<u>0</u>	<u>45,402</u>	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			2,428	23
Total Water Treatment Plant	<u>0</u>	<u>0</u>	<u>2,428</u>	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	50		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	17,079		26
Transmission and Distribution Mains (343)	130,171	69,055	27
Fire Mains (344)	0		28
Services (345)	30,569		29
Meters (346)	9,838	689	30
Hydrants (348)	13,891		31
Other Transmission and Distribution Plant (349)	90		32
Total Transmission and Distribution Plant	201,688	69,744	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	1,588		38
Other Tangible Property (390)	0		39
Total General Plant	1,588	0	
Total utility plant in service directly assignable	282,804	81,342	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	282,804	81,342	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			50	24
Structures and Improvements (341)			0	25
Distribution Reservoirs and Standpipes (342)			17,079	26
Transmission and Distribution Mains (343)	2,812		196,414	27
Fire Mains (344)			0	28
Services (345)			30,569	29
Meters (346)	160		10,367	30
Hydrants (348)			13,891	31
Other Transmission and Distribution Plant (349)			90	32
Total Transmission and Distribution Plant	2,972	0	268,460	
GENERAL PLANT				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			0	34
Office Furniture and Equipment (372)			0	35
Computer Equipment (372.1)			0	36
Transportation Equipment (373)			0	37
Other General Equipment (379)			1,588	38
Other Tangible Property (390)			0	39
Total General Plant	0	0	1,588	
Total utility plant in service directly assignable	10,872	0	353,274	
Common Utility Plant Allocated to Water Department			0	40
Total utility plant in service	10,872	0	353,274	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	0	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	0		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	0	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	0
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	0		26
Transmission and Distribution Mains (343)	0		27
Fire Mains (344)	0		28
Services (345)	1,825		29
Meters (346)	0		30
Hydrants (348)	0		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	1,825	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	0	0	
Total utility plant in service directly assignable	1,825	0	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	1,825	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)			0 27
Fire Mains (344)			0 28
Services (345)			1,825 29
Meters (346)			0 30
Hydrants (348)			0 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	1,825
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	0	1,825
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	0	1,825

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			491	491	1
February			475	475	2
March			530	530	3
April			538	538	4
May			728	728	5
June			830	830	6
July			768	768	7
August			774	774	8
September			731	731	9
October			752	752	10
November			877	877	11
December			970	970	12
Total annual pumpage	0	0	8,464	8,464	
Less: Water sold				5,599	13
Volume pumped but not sold				2,865	14
Volume sold as a percent of volume pumped				66%	15
Volume used for water production, water quality and system maintenance				935	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				935	19
Volume pumped but unaccounted for				1,930	20
Percent of water lost				23%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				53	23
Date of maximum: 5/25/2004					24
Cause of maximum:					25
High usage day					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				11	26
Date of minimum: 1/21/2004					27
Total KWH used for pumping for the year				24,779	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
#2	#2	720	12	0	Yes	1

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	#1	#2		1
Location	GRATIOT	GRATIOT		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	HITACHI	GOULD		5
Year Installed	1986	1988		6
Type	VERTICAL TURBINE	SUBMERSIBLE		7
Actual Capacity (gpm)	150	225		8
Pump Motor or Standby Engine Mfr	HITACHI	GOULD		9
Year Installed	1986	1988		10
Type	ELECTRIC	ELECTRIC		11
Horsepower	20	20		12

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1		1
RESERVOIRS, STANDPIPES			2
OR ELEVATED TANKS			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	S		4
Year constructed	1965		5
Primary material (earthen, steel, concrete, other)	STEEL		6
Elevation difference in feet (See Headnote 3.)	20		7
Total capacity in gallons (actual)	52,000		8
WATER TREATMENT PLANT			9
Disinfection, type of equipment (gas, liquid, powder, other)	OTHER		10
Points of application (wellhouse, central facilities, booster station, other)	OTHER		11
Filters, type (gravity, pressure, other, none)	NONE		12
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.5500		13
Is a corrosion control chemical used (yes, no)?	N		14
Is water fluoridated (yes, no)?	N		15

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

			Number of Feet					
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	4.000	255	0	0	0	255	1
M	D	6.000	11,022	0	0	0	11,022	2
M	D	8.000	780	703	703	0	780	3
Total Within Municipality			12,057	703	703	0	12,057	
Total Utility			12,057	703	703	0	12,057	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	116	0	0	0	116	10	1
M	1.000	8	0	0	0	8		2
M	2.000	4	0	0	0	4		3
Total Utility		128	0	0	0	128	10	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	125	4	4	0	125	0	1
2.000	4	0	0	0	4	0	2
Total:	129	4	4	0	129	0	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	97	17	0	3	0	8	125	1
2.000	0	2	0	2	0	0	4	2
Total:	97	19	0	5	0	8	129	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	24				24	2
Total Fire Hydrants	24	0	0	0	24	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:	22
Number of distribution system valves end of year:	15
Number of distribution valves operated during year:	15

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

Increase in Account 650 is due to increased water main breaks in 2004.

Water Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page W-08)

If Additions for Accounts OTHER than 316, 343, 345, 346 and 348 exceed \$10,000, please explain. If applicable, provide construction authorization.

Account 325 had an addition of 11,598 due to the purchase of a new pump paid for by the utility.

Water Mains (Page W-17)

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

Main additions are financed by contributions from the TIF District.

Meters (Page W-19)

If Tested During Year column total is zero, please explain.

No meters were tested because they were all replaced in late 2002.

Explain program for replacing or testing meters 1" or smaller.

No meters were tested because they were all replaced in late 2002.

Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

Yes
